MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2022 / 2023 (TERM ID 2210)

BIS 2014 MANAGEMENT INFORMATION SYSTEMS

(All Sections / Groups)

15 FEBRUARY 2023
09.00 A.M.- 11.00 A.M.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This question paper consists of 3 pages (including cover page) with 1 case study question
2. There are five sub sections for this case study question
3. Answer **ALL** questions
4. Mark distribution for each question is given in parenthesis

Case: Business Intelligence: How Netflix Changed the VOD Industry

Sometime in 1998 Netflix Inc was touted as the emerging VOD company that the world had never experienced before. The company's core value proposition is driven by business intelligence and their latest production, House of Cards series was already on their hit list even before it became a hit. The show propelled Netflix's business into a new world of success. The House of Cards is based on a British TV series that was already 30 years old but the creators wanted to reintroduce uncharacteristic defects of the society but to the modern-day political watchers who love Machiavellian manoeuvres. Netflix used business intelligence for recommendations of the show. Although the technique of deploying algorithms for recommender systems are not new, Netflix took the method to greater heights. Instead of being a content aggregator that did third party content streaming, the company a had a vision of growing into a production house and delivery platform. The Hollywood movie makers and production companies had no idea of what was going to happen. Creators of House of Cards knew they were going to be a hit in the first season itself. Applying BI tactics, they decided to design the show privately first before releasing it to the market. Many Fortune 500 companies apply this technique for products that they design and build.

The strategy, referred to as "agile analytics" was based on three major discoveries to build their content for the show. Criteria one was to identify who viewers really wanted to see as the lead character in the show. From analytics of current viewers Netflix was able to determine who the lead character the target viewers wanted. This is how Kevin Spacey was discovered for the role. They needed a deceitful, cunning and unscrupulous politician for the lead role and from the roles played by Kevin in the past it became apparent that he would be the best candidate. Secondly, viewers who had the similar following of David Fincher, the director of another hit series, called "The Social Network". Lastly, the popular British show itself.

BI was able to bring these three criteria together to create this widely popular series that we know today. Netflix used data from BI processes such as plot, actors to be casted, trailers, color selection, character, dialogue and picturization to develop the show. Focus group viewers were avoided as it was relatively costly and time consuming. Lessons from this are vast, Netflix became the first data driven content creator. Second, it demonstrated how Hollywood type content can be reinvented using a cheaper and effective method. The complain that most business would have is that they are not like Netflix and do not have access to data. The answer to this is quite easy, most of us have data but lack the skills to make the data work for us. The question should be "how can we make our data intelligent?". When Amazon and Google started out they too had to think around their business models to design systems that aided more sales and to introduce new product offerings.

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Questions

a. What was the formula that made Netflix succeed? (10 marks)

b. How did technological innovations assist Netflix to become a content creator? (15 marks)

c. Did the new business model create any new opportunities for Netflix? (12 marks)

d. How was Netflix's strategy similar to Fortune 500 companies? (8 marks)

e. Do you think YouTube applies agile analytics? Why or why not? (5 marks)

End of Paper